

House Bill 297 (AS PASSED HOUSE AND SENATE)

By: Representative Freeman of the 140th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling
2 and other trade practices, so as to change certain provisions relating to franchise agreements
3 required to sell or distribute recreational vehicles; to provide for applicability; to provide an
4 effective date; to provide for related matters; to repeal conflicting laws; and for other
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to selling and other
9 trade practices, is amended by revising Code Section 10-1-679.14, relating to franchise
10 agreements required to sell or distribute recreational vehicles, as follows:

11 "10-1-679.14.

12 (a) It shall be unlawful for any dealer to sell or distribute any new recreational vehicle in
13 Georgia unless the dealer has a franchise dealership agreement with a grantor with the
14 express right to sell or distribute recreational vehicles in Georgia and meets the
15 requirements and definitions provided in this article. Any dealer who does not meet the
16 requirements of this article may participate in events where recreational vehicles are
17 exhibited or demonstrated and seminars are provided but shall be prohibited from
18 contracting to sell or distribute recreational vehicles to the public.

19 (b) ~~Notwithstanding the foregoing, Subsection (a) of this Code section shall not apply to~~
20 ~~the:~~

21 (1) The sale of recreational vehicles at events sponsored by a Georgia based recreational
22 vehicle grantor with manufacturing facilities located in the this state, where recreational
23 vehicles are sold or contracted for by its franchised out-of-state recreational vehicle
24 dealers;

25 (2) Any convention or rally involving more than 2,500 recreational vehicles which are
26 preregistered with the sponsor of said event, owned by individuals attending such

convention or rally, and there for the personal use of their owners for the purpose of camping and not for sale or display; provided, however, that no dealers from outside of this state shall be invited to said event by a participating manufacturer unless all franchised Georgia dealers for such participating manufacturer shall be invited to said event, and there shall be no discrimination in terms of sales by a manufacturer to any franchised Georgia dealer for recreational vehicles to be sold at the convention or rally; nor shall any franchised Georgia dealer be required by a manufacturer to purchase inventory in addition to that required under a current franchise agreement between the manufacturer and such dealer in order for the dealer to participate in such convention or rally. Out-of-state dealers shall register with the Department of Revenue and purchase a permit 30 days prior to participating in any rally or convention in Georgia. The cost of such permit shall be \$500.00 per dealer. Any manufacturer or dealer that violates this paragraph shall not be eligible to participate in any such events; or

(3) Any dealer at a convention or rally if:

(1) There are ten or more dealers from this state participating in such convention or rally; and

(2) Such convention or rally takes place at a location other than the principal place of business of any of the dealers participating in such convention or rally.

Nothing in this subsection shall be applied to impair an obligation of a contract existing on the effective date of this subsection.

(c) The state revenue commissioner and the Department of Revenue shall enforce this Code section in the same manner as provided by Code Sections 10-1-666 and 10-1-667 for violations of Article 22 of this chapter."

SECTION 2.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval and shall apply to any agreement entered into on or after such date and to any renewal, modification, or amendment made on or after such date to any such agreement.

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.